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Venezuela

Comments of Venezuelan Sugar Industrialists on
Simpson Act

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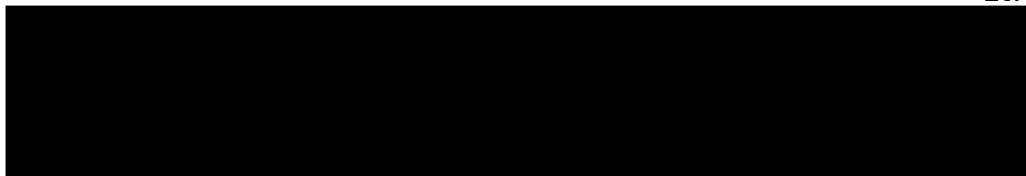


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1. A principal topic of discussion brought up by most of the sugar people I met  was the proposed Simpson Act. The reaction expressed was bitter. Exclusion of Venezuelan oil, in whole or in part, would have a disastrous effect on the economy, cut off the principal source of dollars, prevent Venezuelans from buying US machinery and other products, and replace good feelings with hard feelings.
2. An additional point stressed by the Venezuelans is that while restricting oil imports would have a ruinous effect on Venezuela, it would be futile as far as raising prices in the US is concerned, because Venezuelan oil is a relatively small proportion of the total US oil consumption. They feel that all producers should share in the losses due to the mild winter in the US.
3. Industrialists are already considering other outlets for petroleum and other sources for Venezuelan imports. France is currently looked upon with favor on both counts.


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